

P-421/M-88-981AUTHORIZING TRIAL AND REQUIRING REPORT BY DEPARTMENT OF
PUBLIC SERVICE

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Barbara Beerhalter	Chair
Cynthia A. Kitlinski	Commissioner
Norma McKanna	Commissioner
Robert J. O'Keefe	Commissioner
Darrel L. Peterson	Commissioner

In the Matter of Northwestern Bell Telephone
Company's Proposal to Conduct a Trial of
Selective Carrier Denial Service

ISSUE DATE: January 9, 1989

DOCKET NO. P-421/M-88-981

ORDER AUTHORIZING TRIAL AND
REQUIRING REPORT BY DEPARTMENT
OF PUBLIC SERVICE

PROCEDURAL HISTORY

On November 14, 1988 Northwestern Bell Telephone Company (the Company) filed a proposal to conduct a trial offering of a new service, Selective Carrier Denial. The service would be offered on a subscription basis to long distance carriers and would allow them to deny their service to end users who had failed to pay their toll bills. The Company proposed to conduct the trial for four to six months, with the intention of filing a tariff permanently establishing the service after any initial difficulties had been resolved.

No party opposed the Company's proposal.

FINDINGS AND CONCLUSIONS

The Commission does not oppose and will not restrain this trial offering of Selective Carrier Denial service. It is not reasonable to require long distance carriers to continue serving customers who fail to pay their bills, and Selective Carrier Denial appears to be a reasonable approach to nonpayment. It protects the long distance carrier from further losses without imposing on the end user the extreme sanction of disconnecting local service. It clearly merits careful examination of the sort the Company proposes.

Furthermore, the Company has informed the Commission that none of the costs of the trial service offering will be imposed on local ratepayers; they will be borne entirely by long distance carriers. This is appropriate and is crucial to the Commission's decision to allow the trial to proceed.

Finally, the Commission will ask the Department of Public Service to investigate the operation of the trial offering, to examine the concept of Selective Carrier Denial service, and to evaluate alternatives to the service. This will ensure that the Commission has adequate information to evaluate the service when the Company eventually makes its permanent tariff filing.

ORDER

1. The Company's proposal to conduct a trial offering of Selective Carrier Denial Service is hereby approved.
2. The Department of Public Service shall investigate the operation of the trial offering, examine the concept of Selective Carrier Denial service, evaluate alternatives to the service, and file its report with the Commission.
3. The Department's report shall be filed with its recommendation when the Company makes its Selective Carrier Denial tariff filing, or as soon thereafter as possible. In the event the Company does not make a Selective Carrier Denial tariff filing, the Department shall file its report within 60 days of the conclusion of the trial offering.
4. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen
Executive Secretary

(S E A L)